GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1952
ANSWERED ON:09.03.2001
FUNDS FOR VRS IN BANKS
TUFANI SAROJ

Will the Minister of FINANCE be pleased to state:

(a) whether some public sector banks have sought loan from the World Bank to give the benefits of Voluntary Retirement Scheme (VRS) to their employees;

(b) if so, the bank-wise details thereof; and

(c) the total expenditure likely to be incurred by the Government on this account?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a),(b) & (c): Model Voluntary Retirement Scheme (VRS) circulated by Indian Banks` Association to the Public Sector Banks or 31.8.2000 provided that the funding of the scheme will be made by the banks themselves either from their own funds or by taking loans from other banks/financial institutions or any other source. Government is not aware of any bank having approached World Bank for loan for financing the VRS